652 the organization of long-term investment markets; (c) the control ofownership rights for public shares of enterprises operated by joint state-private interests; and the (d) handling of long-term credits.

652 The Communist authorities had hoped that the
454 Bank of Communications could be instrumental in absorbing the idle funds of the people for the purpose of channeling them into industries to be developed by the state. At one time the government had enthusiastically promoted the organization, in a few large cities, of investment companies with the co-operation of the Bank of Communications, but these plans ignored general poverty and the minimal amount of private capital. The failure of the attempted sale to the public of investment debentures of the Tientsin Investment Company in mid-1952 foretold the difficulty of organizing long-term investment market. Furthermore, the function of handling the appropriations for basic construction was later transferred to the newly established Chinese People's Construction Bank. Now the Bank of Communications handles long-term credits to joint public-private enterprises, but the necessary funds are supplied by the People's Bank.

652 Because the Communications Bank is authorized to handle the appropriations for basic construction and the long-term credits granted to joint public-private industries, it established a number of new branches at industrial sites. Apart from the head office at Peking, the main branches in Hopei Province are located at Tien-

652 use of extortion, the Communist regime was forc to adopt drastic measures to control Chinese currency. Newspaper reports[20] indicate that in Hopei and Shansi provinces those people who took old notes to the government banks to exchange for the new were required to fill in forms giving their name occupation and address. Others attempted to convert their old nots into goods although prices quoted in theold currency were higher than those in the new currency. This example will serve to suggest how desperately the Party cadres worked to gain control of private savings and how distrustfully the people looked upon the new currency.

454 Before taking this drastic step, the regime
652 called upon the people to subscribe to government bonds and to make other contributions. Of 1950 Victory Bonds, amounting to US$70 million, some 15 per cent was allocated to North China. In 1951, the people were expected to donate funds to buy weapons and ammunition for the troops in Korea. The North China Region was to contribute 13.60 per cent of a total equivalent to US$220 million.[22] In addition, contributions for the Resist-America-Aid-Korea Movement were demanded between November 1950 and January

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20. Far Eastern Economic Review, No. 15, Oct. 13, 1955.

21. Hsin Chung-kuo Ta-shih Chi-k'an [New China Events Quarterly] , No. 1 Peking 1950.

22. Cheng Chu-yüan Chung-kung Ts'ai-cheng Chieh-p'ou [An Analysis of Finance in Communist China] , Hong Kong, Asia Press 1953.

454 652 1952 -- a total of 13.28 per cent of US$ 8 million. No exact estimate of the fines collected in North China during the Three-Anti and Five-Anti campaigns are available but it must have been a considerable amount. In Peking and Tientsin the equivalent of approximately US$300 million was collected.[24] The subscription of 1954 National Economic Construction Bonds allocated to North China was about 22 per cent of the total issue equivalent to US$250 million, of which Tientsin alone subscribed more than 30 per cent.[25] This was followed by a 1955 issue of a similar amount. North China was probably required to subscribe to the same percentage as in the previous issue.

North China lacks capital accumulation. Moreover, most of its meager capital fled to Shanghai before the Communists assumed control. As the result of repeated demands made by the present regime, funds held by the people in this area must now be reduced to the minmum. Mindful of this straitened economy the government reduced the allocation to the private sector of joint enterprises and other residents of 1955 National Economic Construction Bonds from

23. Ibid.
24. Ibid.
25. Far Eastern Economic Review, March 25 1954.

1:Stanford U. S-4, 5 1956 AF12 North China AF12

454 652 53 per cent to 45 per cent in January 1955.[26] The currency measure instituted in March 1955 will have further reduced what little capital remains.

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26. People's Daily, Peking. January 9, 1955.

2: Gamble S-5 (1926-1933)1954 .. AF12 North China AF12

money to purchase, from Wu Chi Hsien, cottonseed that would later be sold to the Chai Ch'eng farmers. This would save the time of the individual farmers and secure good seed for the cotton crop.

Later, about 1924, a complete cooperative organization was developed with a credit department, a cooperative store, and both a buyers' and a sellers' cooperative program. The business of the cooperative was directed by a Board of Trustees with a president and 10 members. The work was carried on by a business manager and an accountant. The capital of the cooperative, which amounted to $12,000 in 1931, was secured by the sale of shares at $50 each.

The finance and credit department was by far the most active part of the cooperative. Besides the original capital, it handled the funds of the village government and of other public organizations, the school endowment funds and the student loan fund, and savings of the villagers, and received deposits from the residents of Chai Ch'eng and of other villages. It was authorized to borrow money from banks, other organizations, and individuals. Most of the money handled by the cooperative was deposited in a money shop in the hsien city.

The society cleared its accounts at the end of every year and at the end of every three years it paid a distribution to its shareholders. The profits were divided into 12 parts. Two parts were kept as reserve, three parts were distributed to the employees as a bonus, and seven parts went to the shareholders. Before 1931 two dividends had been paid, the first one $28, the second $32 per share.

Savings Society

The Diligent and Thrifty Savings Society was organized in 1915 with a chairman and a committee of eight. One report said the village head was the chairman and the eight district leaders were the committee. The purpose was to persuade the people to save money, to create good customs, and to cultivate the habits of perseverance and honesty. All the village was invited to attend the meetings of the society and listen to lectures on savings and economy. Every family was asked to save at least 10 cents a month. The money collected was sent to the finance department of the village. The village head and the head of the finance department together determined how the money should be used to earn a profit. Interest was paid on deposits of more than $1.00. The accounts of the society were posted every year so that the villagers could

2: Gamble S-5 (1926-1933) 1954 . AF12 North China AF12

621 see the progress made. In 1924 the amount held by the society totaled
454 $3,000. The society was still operating in 1931.

Patriotic and Improvement Societies

621 A Patriotic Society was organized in 1915 to help create patriotic
185 feelings in the village. It had a head, a secretary, and an investigator. Its duties were to persuade the members to buy government bonds, encourage the young men to enlist when the government was recruiting soldiers, and promote the purchase of home-made goods. The magistrate Sun Fa-hsü came to Chai Ch'eng to give lectures on patriotism. After he left Ting Hsien, the patriotic society was discontinued and only its name remained.

The Virtue Put Into Practice Society was organized in 1914 and was especially active in 1915. Its meetings were attended by some 150 men. Women held separate meetings with some 80 attending. After 1917 the society gradually declined and the meetings were discontinued. In 1931 only the name remained.

The Work Together Society was organized in 1915 to develop public spirit. It had a head and a committee of nine. Its purpose was to create mutual friendship, to console those who mourned, to provide mutual help in time of difficulty, and to befriend others with honesty and sincerity. No meetings were held after the first one.

The Customs Improvement Society was organized in 1915 to improve the customs and habits of the village. It was still operating in 1931. The chairman of the society was the village head. Early marriage, expensive funerals, and foot-binding were some of the customs they worked to change. In reporting on the work of the society, the officers stated that some 80 per cent of the men used to marry before they were 20 years old. In 1931 the figure was not over 40 per cent. At least 10 per cent of the girls used to marry before they were 16 years old. In 1931 no girls were marrying before they were 16. The society also reported that no girls under 16 years of age had bound feet.

621 Funerals used to involve visits to the temples, hiring necromancers, en-
185 gaging monks, and burning paper money, paper houses, and other paper
764 equipment for the use of the dead. Much of this expense had been given up by 1931. It was reported that none of the Chai Ch'eng families were having monks for funerals. It was also stated that the families were using bows instead of kotows in connection with funerals. The kitchen

4: Burgess E-4, 5 (1926-1927) 1928 AF12 North China AF12

CHAPTER VIII

GUILD FINANCES

A. Sources of Guild Income

Membership fees, paid either by individuals or by stores, are the principal source of income of the guilds studied in Peking. Additional income is derived from property or investments, fines and assessments. Table X[1] shows that thirty-eight of the forty-two guilds report income from regular dues. Ten guilds report receiving money either from rent or from land, or from invested funds. Guilds that receive rent either from the temples they own or from their guild headquarters, are the Carpenters, Leather Box Makers, Shoe Fasteners, Barbers, Restaurants, Silk and Satin Stores, Shoe Stores, and Porters. The Tailors possess 70 mu or 23 acres of land which they rent for a burial ground, while the Fur Stores receive ten per cent interest on the investment of a thousand taels which yields them 100 taels ($138.89) a year.

Our data regarding which guilds receive money from fines are extremely meager. The guildsmen simply reported the total yearly income of their organizations without specifying the sources from which the income was derived. In most guilds fines are, however, a minor factor in the total income.

[1] *Cf.* pp. 148-149.

4. Burgess E-4, 5 (1926-1927) 1928 AF12 North China AF12

TABLE X

SOURCES OF INCOME AND ESTIMATED TOTAL YEARLY INCOME OF GUILDS

(* denotes source of income)

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*467
• 454
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	Fees	Sources				Grand total (yearly)
		Property and investments	Fines	Assessments	Other sources	
Craft Guilds:						
Awning Makers	•		•		•	22,000 coppers ($63.79)
Confectionery Makers						8,000 coppers ($23.19)
Carpenters	•	•				300,000 coppers ($869.56)
Cloth Pasters	• $200					average 200,000 ($579.71)
Cloisonné Designers	•		•			$200
Dyers				•		$480
Leather Box Makers	•	• 200 taels ($277.78)		•	•	
Masons	•		• (seldom)			250,000 coppers ($727.56)
Mat Tent Builders	•					
Paper Hangers	•				•	$200
Painters	•		•			$500
Tinkers	•		•			10,000 coppers ($28.98)
Shoe Fasteners	•	•				45,000 coppers ($130.43)
Silk Thread Makers	• $300					$350
Tailors	•	•				
Table and Chair	•					20,000 coppers ($57.97)
Total	14	4	5	2	3	
Commercial Guilds:						
Clock Stores	• $700					$700
Cloth Stores	•					$800
Coal Stores	•					$800
Confectionery Stores	•					$305
Dye Stuff	•					($486.12) 350 taels of which 140 goes to C. of C.
Fur Stores	• $160	• 100 tls. ($138.89)				$300

4: Burgess E-4, 5 (1926-1927) 1928 AF12 North China AF12

TABLE X—*Continued*

	Fees	Sources: Property and investments	Sources: Fines	Sources: Assessments	Sources: Other sources	Grand total (yearly)
Commercial Guilds: *Continued*						
Hat Stores	•					300 taels ($416.67)
Leather Stores	•					$1,000
Mutton Shops	•				• Tax on sheep	$300
Oil Stores	• This yr. pay fees				• Tax on oil	$15,000 of which $8,000 goes to C. of C.
Pork Merchants	•				• Tax on pigs	$1,000 of which $150 goes to C. of C.
Rice and Flour	•					$1,300
Restaurants	•	•				$2,000
Second-Hand Clothes	•					$100
Shoe Stores	•	• $35 a mo.				$780
Silk and Satin Stores	•	•			•	
Sweet Oil Stores					• Tax on oil	$3,000
Total	16	4			5	
Professional Guilds:						
Actors					Voluntary plays	$5,000
Barbers	•	• $50	• $100			
Blind	•			•		$600
Cooks	•					$100
Kitchen Coolies	•					20,000 coppers ($57.97)
Porters	•	• $70				
Story Tellers	•		•			40,000 coppers ($115.94)
Waiters	•					$100
						60,000 coppers ($173.91)
Total	7	2	1			

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7: Gamble S-5 (1926-1927) 1933 AF12 North China AF12

the ricksha and peddler taxes were business taxes, they were not included in the family accounts. 651 511*

The details of the expenditure for weddings, funerals, engagements and birthdays, most of which were included under incidentals, are given in Chapter X.

Surplus and Investment

Most of the families made some capital expenditures, lent money to others, repaid money they had borrowed, invested in savings societies. Besides these capital items, many of the accounts showed a surplus. Many also showed capital items on the income side, amounts received from money borrowed, loans returned, property sold, or money drawn from savings societies or banks. Where it was evident that capital income was used for capital expenditure, the amounts, both income and expenditure, were eliminated from the accounts. Capital transactions appear in the accounts, therefore, only when capital was drawn on for current expenditure, or current income was sufficient to provide funds for investment. If the reported income, both current and capital, was less than the current expense, the difference was entered on the income side as a deficit; but when current income was more than the reported expenditure for both current and capital items, the difference has been entered as surplus on the expense side of the account, and treated in the same way as any other expense item. Many budget studies do not take account of this surplus, but it seems logical to include the uninvested as well as the invested savings. The only difference between them is that one was spent for some capital item, while the other was held as cash at the end

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7: Gamble S-5 (1926-1927) 1933 AF12 North China AF12

of the year. Furthermore, although every family, when consulted about the surplus or deficit shown by its account, reported that it represented the approximate amount for the year, some of the apparently unexpended surplus probably was used for unreported expenditures. In the tables, the invested and uninvested surplus have been combined.

For 200 families, 71 per cent, current expenditure was less than current income. The averages per family for the different income groups ranged from $6.40 a year for the $5 group, to $1,135 a year for the $300 group. (Table 34.) The amount was over $50 a year for all the groups with incomes of more than $30 a month; over $100 a year for all the groups over $60; but over $300 for only the three highest income groups. The increase was especially rapid in the $200 and $300 groups, the averages for each being $400 more than that of the next lower income group. The total surplus of the 200 families amounted to $30,624.05. Of this amount, $9,419.45 was spent for capital items, while $21,204.60 represented the unexpended surplus. One hundred and fifty-two families, 54 per cent, used some of their current income for capital expenditure. Surplus appeared on 175 accounts, 64 per cent.

As the average surplus for each income group is figured on the basis of all the families in the group, and in all but one of the income groups there were one or more families with a deficit—families whose current expenditure was more than their current income—the average surplus, per family reporting, was higher than the amounts given above. For the $10 group, it would be $14.30 instead of $9.50; and for the $300 group, $2,270 instead of $1,135.

7: Gamble S-5 (1926-1927) 1933 AF12 North China AF12

In the $5, the $100, and the $125 groups the total deficit was more than the total surplus.

For seven groups, the average surplus was less than 10 per cent of the budget. It was over 20 per cent for four groups. The minimum was 5.4 per cent for the $5 group; and the maximum 25.6 per cent for the $200 group. (Table 35.)

Considering the limited amounts of money in some of the smaller budgets, it seems remarkable that more than two-thirds of the accounts show a surplus, and that such a relatively large proportion of the budget should be included under this heading. This may be due in part to the figures being incomplete, but in view of the checks kept on the accounts, the general uniformity of the figures, et cetera, it seems evident that, for this particular year at least, a large proportion of the families, with small as well as large incomes, were able to live within their income and to save money. In all but one of the 12 income groups receiving less than $90 a month, more than 60 per cent, and in four groups over 80 per cent, of the accounts showed a surplus over and above current expenditure. In three of the seven groups above $90 a month, the proportion was less than 50 per cent; and in two of these it was less than 35 per cent. The size of the family income does not seem greatly to affect the proportion of the families able to make some saving, except that in the higher income groups, where the families would have more savings, they were more ready to use their capital to meet some special need that could not be covered by current income.

Forty-two families were members of one or more savings societies, to which they ordinarily made regular pay-

/: Gamble S-5 (1926-1927) 1933 AF12 North China AF12

454 ments, and from which they occasionally drew funds; six families had Postal Savings accounts; some had ordinary bank accounts; and several families deposited their excess funds with various stores. It seems to be a more or less regular custom for well established stores to accept funds from a limited number of people, pay interest on the amounts deposited, and, with various restrictions, allow the funds to be withdrawn.

Savings societies provide a means of saving for the man of small or moderate means who does not have access to any banking facilities. They are popular in Peiping and, so far as we can learn, have been used by the Chinese for a long time. The individual societies, usually have only a small membership and ordinarily are short-lived. A typical society is a group of ten to twenty-five people, each of whom agrees to make a monthly, quarterly, or other regular payment to the society. The amounts vary from a few cents to several tens or more dollars, but are the same for all the members of the society. The fund provided by each of these periodic payments is given in turn to the different members. Ordinarily, when all the members have had the fund once, the society is discontinued or reorganized.

Usually the first one to receive the fund is the man who gets the group together. By making the regular payments during the life of the society, he will repay the amount he has received, but will have had the use of the money interest free for his services in organizing and running the society. Technically no one is charged interest for the use of money from the society, but at each meeting the members who have not yet had the fund write out bids stating the amount of discount they are willing

7: Gamble S-5 (1926-1927) 1933 AF12 North China AF12

to give if the fund is allotted to them at the next meeting. 454
The one offering the highest discount receives the fund.

The discount offered is sometimes high. The actual amount depends on the number of bidders, the length of time the loan has to run, the individual need for cash. When cash is urgently needed for a wedding, a funeral, to meet bills before Chinese New Year, the discount is sometimes more than one-third of the fund. The discount offered is divided equally among those who have not had the fund, and ordinarily is deducted from the amount of the payment regularly due at that time. Those who have had the fund receive no benefit from later discounts, but make the regular payments.

The great problem of such a society is to keep all the members paying regularly, especially after they have once had the fund. Many times those who have postponed taking the fund find that they have put money in, but are not able to get any out. Even so, the popularity of the saving societies shows that generally they are a help to the people.

The payments to savings societies shown on the accounts of our families were $1, $2, $5, $10, $35, $50 month. Some families belonged to several societies at the same time. One family reported receiving $4.85 from savings society, others varying amounts up to $236.70 When giving the figures for the family account, one woman told our field workers that she belonged to a savings society and made regular payments, but that she was keeping it a secret from her husband.

8: Lin E-5 (1927)1928 AF12 North China AF12

466 the workman dwindles slowly after the payment of his wage
474 until he is paid again in the next month.

V. SYSTEMS OF SAVINGS DEPOSIT AND FAMILY REMITTANCE

466 For the purpose of encouraging thrift and promoting the welfare of the worker, the factory has installed two systems, (1)
454 the savings deposit and (2) the family remittance. First any workman of the factory may open a savings account with the managerial department which, in turn, transfers the deposit to the accounting department at Tientsin. The deposit must not be less than 50 cents (silver) each time. The monthly rate of interest is 10 per cent for every dollar deposited and the interest is paid to the workman every month with his wages Secondly, the factory renders gratuitous service to the workman in remitting his money to his family. In order to prevent the abuse of this privilege, workers are required first to deposit the money to be remitted. The period for the drawing of the deposit is limited to the first five days of each month. It is to be remembered, however, that the worker's savings do not necessarily constitute his total savings, nor does the remittance necessarily constitute the total amount remitted. Nevertheless, there is no doubt that the factory handles a greater part of these two items. Let us now study the figures of savings deposits from January 1926 to June 1927 and the figures of remittances from January 1925 to June 1927 which are taken from the factory records.

454 First there is noticeable in Table 9 a general tendency that the total number of depositors formed a definite proportion to the total number of workers in the factory. On the average, three-fourths of the workers deposited their savings with the factory, while the remaining a quarter either did not have any savings at all or did not entrust them to the factory. Yet it should be pointed out that a departure from this tendency occurred at times, due either to abnormal conditions of the country or to a high rate of turn-over among the workers. For instance, the percentage of depositors rose to 83.4 in March 1926 and dropped to 60.9 in December of the same year. The high percentage in

8: Lin E-5 (1927)1928 AF12 North China AF12

the former case was probably attributable to a suspension of the postal remittance service at that time, so that more workers found safe custody of their unused funds in the hands of the factory. The low percentage in the latter case was due to the fact that 74 workmen were newly admitted in December 1926, and consequently no savings could be expected from them. Besides, the last quarter of each year, in particular the month of December, always found a gradual decline in depositors.

Table 9.—Total Number of Workers and Depositors for Each Month in the Chiu Ta Factory, January 1926 to June 1927

Month	Total number of workers		Total number of depositors		Percentage of depositors on total number of worker	
	1926	1927	1926	1927	1926	1927
January	508	558	403	413	79.2	74.0
February	503	563	414	440	82.3	78.1
March	495	561	413	403	83.4	71.8
April	521	555	400	416	76.8	75.0
May	512	570	380	399	74.2	70.0
June	504	561	368	371	73.0	66.1
July	498	—	370	—	74.3	—
August	478	—	348	—	72.8	—
September	475	—	353	—	74.3	—
October	475	—	348	—	73.3	—
November	478	—	342	—	71.5	—
December	552	—	336	—	60.9	—
Average per month	499.9	561.3	372.9	407.0	74.7	72.5

That one-fourth of the total number of workers should fail to make use of the savings system perhaps deserves some comments. First of all, what an ordinary worker can earn generally leaves little for saving. Those who are able to save may find the system troublesome and prefer hoarding. And a great amount of savings must have no doubt been attracted by the loan societies among the workers. The loan society, it may be mentioned in passing, is always popular with the labouring class, especially in the districts where funds

8: Lin E-5 (1927)1928 AF12 North China AF12

452 cannot be easily secured. Two types of loan-societies may be distinguished: the interest paying and the non-interest paying. In the former, the depositor gets a monthly interest of from 15 per cent to 30 per cent. Those who seek for high interest naturally invest their savings in such a society rather than in the factory where only 10 per cent interest per month is allowed. In a homogenous group of workers, living closely together and having regular incomes, this sort of society is
● 454 easily maintained and kept flourishing. Lastly, very few workers having families to support at Tangku care to use the factory savings system. This condition is shown in the following table where more than half of the workers in the power house, salt field administration and the iron workshop—almost all of whom have families at Tangku—were not depositors at the factory. It is interesting to note that all these workers had high earnings. If they did not use up all their earnings to feed and clothe their families, or squander them, then they must have found more profitable means of investment in some other direction.

Table 10.—Total Number of Workers and Depositors in the Chiu Ta Factory in February 1927, Classified According to Sections

Section	Total number of workers	Number of depositors	Percentage of depositors on total number of workers
West Section	286	253	88.5
East Section	188	139	73.9
Power House	15	7	46.6
Salt Field Administration	4	1	25.0
Dormitory	22	18	81.8
Iron Workshop	48	22	45.8
Total	563	440	78.1

So much for the number of depositors. Let us now proceed to examine the amount of deposits from month to month during the period January 1926 to June 1927. The total amount of deposits and the average amount of deposits per person at the end of each month during this period are shown in Table

8: Lin E-5 (1927)1928 AF12 North China AF12

11. They were in the custody of the factory. The first point 454
to be noted is that these amounts fluctuated from month to month. This is, no doubt, determined by the amounts of deposits and withdrawals taking place from month to month. But what is remarkable is that there appears to be a general tend of fluctuations within the yearly period. As a rule, deposits increase slightly in January and rise suddenly in February. Then they begin to fall abruptly in March and gradually afterwards until they reach the lowest point in December. The sudden rise of deposits in January and February is undoubtedly due to the payment of the extra month's pay and the general bonus in these two months, whereas the drop beginning from March is because of the drawing of deposits for family remittances, mainly used to pay the outlay for farming at home. Remittances are also made in other months, notably in September; but the amount is usually not so significant as in March. Exception to this tendency is, however, shown in 1926, when the sudden drop of the deposits happened as late as in May. This may be accounted for by the fact that there was a suspension of the postal remittance service in March and April, so that the amount of deposits drawn by the workers was not so appreciable. In normal years, however, the wholesale remittance of deposits happens usually in the month of March.

Another thing to be noted is that if we compare the amounts of deposists between 1926 and 1927 month for month, we shall find that the total amount of deposits of each month in 1927 was much less than that in the preceding year. Indeed, the months that are comparable are only six in number. Yet the phenomenon is decidedly noteworthy. Three factors seemed to be responsible for this phenomenon. One was that more new workers were added to the factory on the retirement of the old ones in 1927 and they had nothing to save. Another was that the rising cost of living in 1927 must have reduced the general saving capacity of the workers. On the one hand, they had to spend more for their own sustenance, while, on the other hand, they found it necessary to remit more money home than

8: Lin E-5 (1927)1928 AF12 North China AF12

454 men had sent remittances home and in larger amounts. The last factor was that there happened to be a reduction of the salt refining work in 1926 beginning from April. Consequently many workers were deprived of the salt bonus and savings were thereby reduced.

Table 11.—Total Amounts of Deposits and Average Amounts of Deposits Per Person for Each Month in the Chiu Ta Factory, January 1926 to June 1927

	Amount of new deposits during the month	Amount of withdrawals during the month	Amount of existing deposits at the end of the month	Average amount of deposits per person per month
1926, January	$ 685.5	$ 443.0	$4.931.0	$12.24
,, February	4.112.5	549.5	8.494.0	20.52
,, March	1.100.0	1.035.5	8.558.5	20.72
,, April	1.784.0	1.786.0	8.452.5	21.21
,, May	446.0	3.365.0	5.563.5	14.64
,, June	460.5	1.427.5	4.586.5	12.46
,, July	663.0	723.0	4.526.5	13.01
,, August	470.5	462.5	4.534.5	13.03
,, September	326.0	616.5	4.244.0	12.02
,, October	543.0	483.5	4.303.5	12.37
,, November	360.0	933.0	3.730.5	10.91
,, December	397.0	618.0	3.509.5	10.44
Average amount per month	945.7	1.037.1	5.451.2	14.46
1927, January	1.792.0	564.5	4.737.5	11.47
,, February	3.123.5	257.0	7.603.5	18.06
,, March	742.0	2.745.0	5.600.5	13.90
,, April	635.5	1.531.5	4.704.5	11.31
,, May	593.0	1.181.5	4.116.5	10.32
,, June	765.0	431.5	4.451.0	12.00
Average amount per month	1.275.2	1.118.5	5.202.3	12.84

The average amount of deposit each depositor puts into the factory savings department per month is also shown in Table 11. It ranged between 10 to 21 dollars. The same features as we have described in the preceding paragraphs, viz. the general tendency of rise and fall of the deposits during the year and the

8: Lin E-5 (1927)1928 AF12 North China AF12

what was usually required. In fact, it was discovered that more lowering of the savings capacity in 1927 as compared with that in 1926, are also noticeable here. 454

Family remittances in every month from January 1925 to June 1927 are tabulated in Table 12.

Table 12.—Number of Remitters and Amounts of Remittances for Each Month in the Chiu Ta Factory, January 1925 to June 1927

Month	Number of remitters			Amount of remittances		
	1925	1926	1927	1925	1926	1927
January	30	18	16	$ 340	$ 449	$ 459
February	35	4	2	1,090	135	169
March	56	—	40	1,799	—	1,953
April	14	—	17	401	—	733
May	5	36	13	84	1,946	305
June	10	14	5	196	650	134
July	12	8	—	280	232	—
August	11	6	—	195	102	—
September	21	10	—	452	345	—
October	11	6	—	175	182	—
November	5	8	—	119	278	—
December	—	13	—	—	465	—
Average amount per person per month				23.25	38.96	40.26

It is to be noted that March was the month when the amount of remittances goes up the highest, while April and January follows in subseqent order. In studying the records of two and a half years, it appears that, on the average, the amount of remittances becomes greater each year, a fact which leads us to believe that the prices or living expenses in the native districts of the workers have been rising steadily.

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of about $40 ($39.37) each and 13 incurred deficits, with an average deficit of $10 each ($9.95). The latter all fell in the first two income groups, the earners of from $110 to $165 a year. Those who had any surplus usually deposited all or a part of it in the savings department of the factory. It was found that of the 73 workers who had surpluses, 59 followed this practice. The average amount of savings per person was $12.36 a year, but the great majority of the workers had only small amounts to deposit. Thus 41 persons had saved less than $10 each in the year. It should be borne in mind that, in most cases, the deposits thus accumnlated were meant to be remitted home.

The reasons for the deficit of the thirteen workers are two. First, absence from work for returning home often results in deficits, especially to those with low earnings. For during their leave of absence, the workers suffer a double loss, no income from wages during the leave and the charge of travelling expenses which should be paid out of their pockets. Secondly, wedding and funeral services are a heavy burden to the workers. Extra expenses are needed on these occasions, which must be met by loans, in the case of workers with low incomes. In either case, a deficit would be incurred in the year.

It should be observed that after their own living expenses family remittance becomes the most important charge to the resident workers. Whatever they can save, they send home to support their people; at times they had to borrow if the savings are insufficient. It is shown in Table 24 that 75 out of the 86 workers had all remitted money home. The average amount of remittance of each was $44.39 per year, but it appears that such remittances tended to increase in the higher income groups.

To meet the deficit, occasioned by the increased expenditure for family remittances or travelling expenses, means open to the workers are either borrowing from friends or loan societies or pawning articles. Loans raised from friends are most common, while pawning of articles is very seldom resorted to. The amount of borrowing is usually low. It was found that 17 out of the 86 workers raised loans whose average amount was $17,41 each.

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month's pay. Borrowing was resorted to by 29 families of which, 24 paid and 5 did not pay interest for the loans. The rate of interest was from 15 per cent to 20 per cent.

Pawning of articles is not commonly practiced by these workers as only three families were reported to have sent their clothes to pawnshops. Borrowing from loan societies was made by five families. The amount of savings was generally small and could scarcely help the family tide over hard times. The sale of property was not commonly practised, because first, there was not much property in the possession of these families. and second, the property, if ever there was, as a rule, was owned jointly by brothers or other family members, which could not be disposed of without the consent of all.

Twenty-nine families are found to deposit their surplus with the savings department of the factory. The average amount of deposit for the year was $17.06 per family. It is further found that the saving of 21 families were below $20, and none exceeded $90.